

MEETING OF
THE DELAWARE AGRICULTURAL LANDS PRESERVATION FOUNDATION

A meeting of the Delaware Agricultural Lands Preservation Foundation was held at the Delaware Department of Agriculture, 2320 S. DuPont Hwy. Dover, Delaware, December 4, 2012, with the following members in attendance:

Robert F. Garey, Chairman
William Vanderwende, Vice Chairman
L. Allen Messick, Jr., Treasurer
Robert Emerson

Theodore P. Bobola, Jr.
Lisa Embert representing Chip Flowers, Jr., State Treasurer
Michael Valenti representing Steve Ditmer, Forestry Council
Kevin Coyle representing Collin O'Mara, Secretary of DNREC

Absent: William H. "Chip" Narvel, Jr. and Secretary Ed Kee.

The following staff members were in attendance: Austin Short, Deputy Secretary of Agriculture, and Chief of Planning, Howard Mesick, Scott Blaier, Cathy Mesick, Kathi Spangler, and Robin West.

Others in attendance: F. Michael Parkowski and Ms. Erin Wright.

Chairman Garey opened the meeting at 8:30 a.m.

I. Current Situation Report:

Robin West informed the Board that we have a total of 1,116 farms in preservation districts totaling 157,693 acres, with a total of 689 farms under agricultural easements totaling 105,061 acres at a cost of \$187,578,008. For PDR 18, there are a total of 13 farms, comprising 580 acres, with a value of \$3,386,000. For the Forestland Preservation Program there are 37 Forestland Preservation Areas comprising 2,711 acres. For the Forestland Preservation Area Easements, there are a total of 9 properties, comprising 872 acres, with a value of \$1,450,804. For the Young Farmers Program there are a total of 10 Young Farmers program loans which have settled, with an easement value of \$3,878,524. Forty-four prequalification applications have been received so far with only two being unapproved – one due to lack of farming experience and one exceed the maximum (\$300,000) net worth.

II. Monitoring Report:

Scott Blaier informed the Board that 263 Federal parcels have been visited, and 664 non-federal parcels have been visited this year. A total of 927 parcels are completed for 2012.

III. Young Farmers Report – Austin Short informed the Board that the application period for Round Two of the Young Farmers Program closed October 31, 2012. Two prequalification forms were received December 3, 2012, but are not in our current figures for the Young Farmers Program.

IV. District Eligibility:

1. Legates Spectrum District, ID#K-12-10-266. After discussion, **Kevin Coyle moved to accept for eligibility the Legates Spectrum District, seconded by Lisa Embert. Motion unanimously approved.**

V. Expansion Eligibility & Final Approval (Contingent Sale):

1. Elliott Expansion of the Old Morgan School District, ID#S-12-11-016N. After discussion, **William Vanderwende moved to accept for eligibility/final approval, contingent upon sale, the Elliott Expansion of the Old Morgan School District, seconded by Lisa Embert. Motion unanimously approved.**

VI. Expansion Eligibility & Final Approval:

1. Heather A. Baer Expansion of the Rust District, ID#S-10-12-034P. After discussion, **Theodore P. Bobola, Jr. moved to accept for eligibility/final approval the Heather A. Baer Expansion of the Rust District, seconded by Kevin Coyle. Motion unanimously approved.**

2. Dad's Expansion of the Gallo District, ID#K-11-12-098A. After discussion, **Lisa Embert moved to accept for eligibility/final approval the Dad's Expansion of the Gallo District, seconded by Theodore P. Bobola, Jr. Motion unanimously approved.**
3. Wright/Vincent Expansion of the Gallo District, ID#K-11-12-098B. After discussion, **William Vanderwende moved to accept for eligibility/final approval the Wright/Vincent Expansion of the Gallo District, ID#K-11-12-098P, seconded by Kevin Coyle. Motion unanimously approved.**

VII. Secretary of Agriculture's Veto – Secretary of Agriculture Ed Kee waived the right of veto for the above Expansions and District via e-mail to Austin Short dated December 4, 2012.

VIII. Public Comments – No public comments were received.

IX. Minutes:

Chairman Garey asked if there were any comments or changes to the October 17, 2012 minutes. Hearing no changes, the Chairman asked for a motion to approve the minutes. **Robert Emerson moved to approve the October minutes, seconded by Lisa Embert. Motion unanimously approved.**

X. Financial Highlights:

Howard Mesick next presented the Financial Statement for the month of October 31, 2012, informing the Foundation Board that we had, as of October 31, 2012, \$30,073.18 in the Foundation's interest bearing State of Delaware account. Interest income was \$7.24 and license plate monies received in October totaled \$315. Expenditures for the month of October totaled \$32,951.43. After discussion, **Kevin Coyle moved to accept the October financial statement as presented, seconded by Robert Emerson. Motion unanimously approved.**

Audit – Mr. Austin Short requested the Board approve the Audit as presented in our October 17th meeting. The audit amounts as presented are correct and the problem is a matter within the State of Delaware between the Auditor's Office and the Treasurer's Office on how to show amounts held by the State. After discussion, **Allen Messick moved to approve the audit as presented at the October 17, 2012 Foundation meeting, seconded by Kevin Coyle. Motion unanimously approved.** Mr. Short informed the Board that he would be meeting next week with the new auditor and they would be discussing this situation and what can be done in the future to prevent this recurrence because of the change in how the State views money in accounts.

XI. Executive Session – Mr. Parkowski indicated that there was a need for an Executive Session. Mr. Parkowski informed the Board that Messrs. Bobola, Jr. and Vanderwende would need to recuse themselves from the Executive Session due to conflict of interest. Mr. Bobola, Jr. would also need to abstain from voting on the PDR 17 Selection List as his family has properties under consideration for Round 17, and Mr. Vanderwende would need to abstain from voting in the Young Farmer program selection as he has a relative under consideration for a Young Farmer loan. Messrs. Bobola, Jr. and Vanderwende left the meeting room and **Mr. Kevin Coyle moved to go into Executive Session to receive legal advice concerning PDR 17 Selections and the Young Farmers Program Round 2 Selections, seconded by Allen Messick. Motion unanimously approved.**

The Executive Session started at 8:45 a.m. The Executive Session ended at 9:20 a.m. **Mr. Allen Messick moved that the Board go out of Executive Session, seconded by Lisa Embert. Motion unanimously approved.**

Messrs. Bobola, Jr. and Vanderwende returned to the meeting room when the Executive Session ended.

XII. PDR 17 Selections

After the presentation of the PDR 17 Selections by Austin Short and discussion, **Kevin Coyle moved to approve the PDR 17 Selections as presented, seconded by Allen Messick. Motion unanimously approved.** Mr. Theodore P. Bobola, Jr. abstained from voting due to possible conflict of interest.

XIII. Young Farmer Round 2 Selections

After the presentation of the Young Farmer Round 2 Selections by Austin Short and discussion, **Allen Messick moved to approve the Young Farmer Round 2 Selections as presented, seconded by Lisa Embert. Motion unanimously approved.** Mr. William Vanderwende abstained from voting due to possible conflict of interest.

Mr. Short then requested the Board consider having a Young Farmer Round 3 as all the funds have not been expended in Round 2. The time period for accepting applications would be January 1, 2013 to March 31, 2013. After discussion, **Lisa Embert moved to have a Young Farmer Round 3 and the time period for accepting applications would be January 1, 2013 to March 31, 2013; seconded by Kevin Coyle. Motion unanimously approved.**

IX. Other Business:

1. Wilson Farm

Austin Short informed the Board that there is nothing new to report on the Wilson farm. Mrs. Ellen Magee has not contacted Mr. Short concerning this matter.

X. Adjournment

As there was no further business to come before the Foundation the meeting adjourned at 9:25 a.m. The next meeting of the Foundation will be held on January 16, 2013 at the Delaware Department of Agriculture beginning at 9:30 a.m.

Respectfully submitted,

Robert F. Garey
Chairman